

**MINUTES OF THE  
PUBLIC EDUCATION APPROPRIATIONS SUBCOMMITTEE MEETING**

Room 445, State Capitol

January 31, 2013

Members Present:

Sen. Howard A. Stephenson, Co-Chair

Rep. Steve Eliason, House Vice Chair

Sen. Patricia W. Jones

Sen. Mark B. Madsen

Sen. Aaron Osmond

Sen. Steve Urquhart

Rep. Joel K. Briscoe

Rep. LaVar Christensen

Rep. Francis Gibson

Rep. Steve Handy

Rep. Mike S. Kennedy

Rep. David E. Lifferth

Rep. Carol Spackman Moss

Rep. Jim Nielson

Rep. Kraig Powell

Members Excused: Rep. Bradley G. Last, Co-Chair, Sen. Stuart Adams

Members Absent: Sen. Lyle Hillyard, Sen. Daniel Thatcher

Staff Present:

Mr. Ben Leishman, Legislative Fiscal Analyst

Mr. Thomas E. Young, Legislative Fiscal Analyst

Ms. Wendy Hill, Secretary

A copy of related materials and an audio recording of the meeting can be found at [www.le.utah.gov](http://www.le.utah.gov). A list of visitors and a copy of handouts are filed with the subcommittee minutes.

Co-Chair Stephenson called the meeting to order at 8:20 am.

**1. Follow-up on Items from January 29, 2013 Meeting**

2.

Dr. Martell Menlove, State Superintendent, Utah State Office of Education (USOE) finished presenting the budget priorities of the State Board of Education. He clarified the funding appropriation request for the dual immersion program. Funding is needed to implement computer adaptive testing.

Co-Chair Stephenson said the dual immersion program is very popular with parents in Utah. Utah has one third of dual immersion programs in the United States. Rep. Gibson voiced his

support of the program.

Mr. Ben Leishman, Fiscal Analyst, talked about updates to the spreadsheet “Major Budget-Related Issues for the 2013 General Session,” distributed to the committee last meeting. All meeting materials are available at <http://le.utah.gov>. Co-Chair Stephenson asked presenters to three-hole punch all handouts.

Mr. Leishman gave details about the \$25 million error from 2013. The structured deficit is in the Education Fund and not in education budget. The legislature as a whole will address the structural deficit in the Education Fund. He further explained the “Major Budget-Related Issues for the 2013 General Session” spreadsheet. The revenue variances and expenditures between school districts was presented.

### **3. Early Intervention – Technology Contract Implementation**

Co-Chair Stephenson said the legislature supports digital learning in public education. There have been delays implementing the programs appropriated by the Legislature. The USOE is responsible to submit the Request for Proposals (RFP).

Superintendent Martell Menlove spoke about the RFP process. The demand for new technology programs have increased. Any delay has not been from lack of attention.

Dr. Brenda Hales, Deputy Superintendent, Utah State Office of Education, explained the RFP process to the Subcommittee. The timeline distributed to the committee demonstrates implementation under ideal situations and does not account for problems, negotiations and changes.

Rep. Briscoe expressed concern about when teachers were able to learn and use new technology. Superintendent Martell Menlove said using different vendors allowed comparisons to find the best products. Co-Chair Stephenson said teachers see measurable advances with the use of computer technology in public schools. Vendors provide support for their products. Rep. Christensen asked if reputable vendors were selected. Dr. Hales said the companies have been well researched. Vice-Chair Eliason asked if the program known as “360 degrees of feedback for students, teachers and parents” is operating. Dr. Hales said yes, it was.

Co-Chair Stephenson introduced the students from the charter school, American Preparatory Academy.

Co-Chair Stephenson commented on the difficulty school boards have in balancing their budgets and the benefits of using digital tools funded by legislative appropriations. Superintendent Martell Menlove said the USOE will be transparent about the RFP process.

Dr. Brenda Hales said she hand carried the RFP's to speed up the procedure. Sen. Osmond thanked the USOE for their work and asked for their recommendations. Superintendent Martell Menlove suggested using teacher's input in choosing products and utilizing a comparative study to evaluate the products. Co-Chair Stephenson said prices on products vary with the quantity purchased.

Dr. Brenda Hales specified when the RFP is directed at multiple vendors there are more options and less problems. Co-Chair Stephenson said involving two or more vendors permits comparisons.

#### **4. Minimum School Program (MSP) Overview**

5.

Mr. Ben Leishman said the Minimum School Program (MSP) provides funding for Local Education Agencies (LEAs) to develop a basic education program. Local elected schools boards, or charter school governing boards, determine the final allocation. The program is divided into three major programs, the Basic School Program, the Related to Basic School Program, and the Voted & Board Local Levy Programs. The MSP represents approximately 60 percent of all public education revenues in the state for FY 2012. He further explained the brief and revenue history.

He recommended the State Board of Education to use the various levels of expenditure flexibility provided for each program to guide performance measure development. He reminded the Subcommittee of the Intent Language passed in the 2012 General Session.

#### **6. Budget Review: MSP Basic School Program**

7.

Mr. Leishman said the Basic School Program (BSP) is funded through Weighted Pupil Units (WPU's). Each program has a statutory formula that determines how many WPU's a LEA will generate; based on enrollment characteristics of its students, a remoteness factor and the educational attainment and longevity of their teachers.

The base budget includes \$1.9 billion from the education fund and \$289 million from local property tax revenues. The base budget funds all the WPU's funded in FY 2013

He discussed Part A: Basic School Program taken from the detail table in the binder and referred to a paper describing the various programs.

Growth in student enrollment results in additional WPU's. This past October, Utah's public schools enrolled 600,970 students, an increase of 13,225 students for a 2.3 percent increase from last year. It was estimated there will be an increase in enrollment for the next eight years.

Rep. Eliason asked the difference between the numbers of enrolled students compared to WPU's. Mr. Leishman said there is about 1.3 WPU's per student, due to various weightings with in the program, such as special education students.

Mr. Leishman said estimated enrollment growth costs to be \$56.1 million. The Legislature needs to set the WPU value each year. Currently there are two WPU values, a base WPU for most programs. The Special Education and Career and Technology Education Add-on programs have a slightly lower WPU value. The cost to increase of the WPU value by one percent would be about \$24-25 million. The Legislature sets the Basic Tax Rate. The Basic Rate generated local property tax revenue to support the Basic School Program

Rep. Eliason asked about setting the Basic Tax Rate. Mr. Leishman explained the Basic Tax Rate uses a base from the previous year plus growth formula. Sen. Madsen asked about the amount of per pupil spending. Mr. Leishman said he would research the history.

Co-Chair Stephenson said the Taxpayer Association's spreadsheet shows spending per student.

Mr. Leishman recommended the Legislature consider more funding for the Special Education High-Cost Student program. He suggested the committee consider making one WPU value. The Growth in Student Population Account has a deficit of \$300,000 that needs to be corrected.

**MOTION:** Sen. Osmond moved to adjourn. The motion passed unanimously.

Co-Chair Stephenson adjourned the meeting at 9:56 am.

Minutes were reported by Ms. Wendy Hill, Senate Secretary

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Sen. Howard A. Stephenson, Co-Chair

Rep. Bradley G. Last, Co-Chair